

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 765 Session of
1989

INTRODUCED BY COLAFELLA, RYBAK, FREIND, DALEY, DeWEESE, KASUNIC,
HALUSKA, STABACK, GEIST, LAUGHLIN, MELIO, HASAY, JOHNSON,
CIVERA, BELARDI, CAWLEY, TIGUE, PETRARCA, TANGRETTI, RUDY,
LaGROTTA, BILLOW, COWELL, MAYERNIK, FREEMAN, PISTELLA, OLASZ,
LINTON, PRESTON, TRELLO, REBER, SAURMAN, PERZEL, KOSINSKI,
LEVANSKY, GAMBLE, HAGARTY, NAHILL, FOX, J. TAYLOR, CARN,
MRKONIC, LUCYK, BATTISTO, MOEHLMANN, HOWLETT, DELUCA AND
BISHOP, MARCH 14, 1989

AS REPORTED FROM COMMITTEE ON INSURANCE, HOUSE OF
REPRESENTATIVES, AS AMENDED, MAY 31, 1989

AN ACT

1 ~~Amending Title 75 (Vehicles) of the Pennsylvania Consolidated~~ <—
2 ~~Statutes, further providing for automobile insurance~~
3 ~~premiums.~~

4 AMENDING THE ACT OF JUNE 5, 1968 (P.L.140, NO.78), ENTITLED "AN <—
5 ACT REGULATING THE WRITING, CANCELLATION OF OR REFUSAL TO
6 RENEW POLICIES OF AUTOMOBILE INSURANCE; AND IMPOSING POWERS
7 AND DUTIES ON THE INSURANCE COMMISSIONER THEREFOR," FURTHER
8 PROVIDING FOR AUTOMOBILE INSURANCE PREMIUMS.

9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 ~~Section 1. Section 1793(a) of Title 75 of the Pennsylvania~~ <—
12 ~~Consolidated Statutes is amended by adding a paragraph to read:~~
13 ~~§ 1793. Special provisions relating to premiums.~~

14 ~~(a) Limitation on premium increases.~~

15 ~~***~~

16 ~~(3) An insurer may not increase the premium rate of an~~
17 ~~owner of a policy of insurance subject to this chapter unless~~

1 ~~the insurer states the reason for the increase on the notice~~
2 ~~of premium.~~

3 * * *

4 SECTION 1. SECTION 4.1 OF THE ACT OF JUNE 5, 1968 (P.L.140, <—
5 NO.78), ENTITLED "AN ACT REGULATING THE WRITING, CANCELLATION OF
6 OR REFUSAL TO RENEW POLICIES OF AUTOMOBILE INSURANCE; AND
7 IMPOSING POWERS AND DUTIES ON THE INSURANCE COMMISSIONER
8 THEREFOR," IS AMENDED BY ADDING A SUBSECTION TO READ:

9 SECTION 4.1. * * *

10 (D) IF AN INSURER INCREASES THE RENEWAL PREMIUM RATE OF AN
11 OWNER OF A POLICY OF INSURANCE SUBJECT TO THIS ACT, THE INSURER
12 SHALL STATE THE REASON FOR THE INCREASE ON THE RENEWAL NOTICE OF
13 PREMIUM OR BY PROVIDING THE REASON FOR THE INCREASE ON A
14 SEPARATE NOTICE ACCOMPANYING THE RENEWAL.

15 Section 2. This act shall take effect in 60 days.